THE SCOTTISH OFFICE IN THE 1980s

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Introduction

In 1985 the Scottish Office celebrated its centenary. The official commemorative volume, 'The Thistle and the Crown', was written by John Gibson, a retired civil servant, and conveyed the agreeable sense of a government department proud of its history and stable in its relationship with the nation it represented and the British government of which it was a part[1]. George Younger, Secretary of State from 1979 to 1986, personified the tradition in the Office in which Conservative ministers were amiable grandees and Labour ones models of Scottish responsibility and rectitude. But by the end of the decade, ten years of Thatcherism were taking their toll, and the Scottish Office was facing up to its structural weakness in the government of the United Kingdom. Although there is a wide range of territorially deconcentrated functions of central government – especially social security and employment services – they are administered in a very centralised way, and in most cases outside the control of the three territorial departments – for Scotland, Wales and Northern Ireland, which are part of the British civil service and act in effect as agents of a British state partly denied political consent in the nations they administer.

The instabilities in the British structure of territorial government had attracted such considerable political and academic interest in the 1970s that the failure of 'assemblies' in Northern Ireland, Scotland (both with law-making powers) and Wales came as a shock. Northern Ireland's coalition administration of Protestant and Catholic political forces collapsed in 1974. Scotland's and Wales's assemblies were never elected. Perhaps it is now necessary to repeat that the proposals of the Scotland Act 1978 received a 52 per cent majority in a referendum in 1979 but this was insufficient in terms of a clause inserted in the Act by opponents of devolution that required the affirmative vote of 40 per cent of the total electorate for the assembly to proceed. The Welsh proposals were rejected by 80 per cent of those voting. Soon after the referendums a Conservative government was elected which is strongly unionist in its attitude to the government of Scotland and Wales and, unlike the 1970s, has seen no need to make new constitutional proposals for these nations.

This chapter traces how the Scottish Office has coped with this change of political circumstances and the loss of salience for Scottish government. It has

had to live with the political context of Thatcherism; the framework of public expenditure which it sustains; and the impact of the various management initiatives of the Conservative government since 1979. The general theme is that of instability and uncertainty caused by a lack of political consent in Scotland to the patterns and practices of British government as they had developed by the 1980s.

The Organisational Profile of the Scottish Office

The Scottish Office has developed since 1885 as a collection of functions devolved from United Kingdom departments to the authority of the Secretary of State for Scotland[2]. These functions have never been comprehensive in scope nor defined in any constitutional sense. Its employees number less than two per cent of the public sector workforce in Scotland and (in 1987) only 16 per cent of the civil servants, most of the rest working in social security, employment and defence departments[3]. Because most of the main functions the Scottish Office supervises (education, housing and social work services) are delivered by local authorities, it spends only 40 per cent of the budget for which it is responsible[4]. It is recruited and paid on the same basis as the rest of the civil service and in its work practices is very similar to the rest of Whitehall. But it does retain a Scottish identity, and the great majority of its officials are Scottish. As of 1990, only one of the top seven officials (Graham Hart, secretary of the Scottish Home and Health Department) was imported from an English department, and the French concept of 'pantouflage' – the parachuting-in of senior officials from the national capital – is rare.

The Scottish Office is a multi-functional department: despite moves in the 1980s to create a corporate identity, the five Scottish departments (Agriculture and Fisheries; Development; Education; Home and Health; Industry) remain formally distinct. This species is now out of favour in British government. In the 1970s, conglomerate departments (Health and Social Security, Trade and Industry, Environment) were created in order to aid policy planning across related areas. All have since been broken up or lost some functions. The Thatcher government has shown a particular reluctance to experiment with the machinery of government. This tends to leave the Scottish Office as a territorial interest group and has weakened its former role as an innovator in public administration, which had become apparent in fields like urban policy and social work in the 1960s.

This profile produces two dimensions of tension. Functionally, the Office has incomplete responsibilities but at the same time exercises a lobbying and advocacy role inside central government on behalf of Scottish interests; it is meant to be more than the sum of its parts. Organisationally, it has to conform to Whitehall management rules but is territorially distant and different in scope from other departments. The degree of tension is to a large extent affected by the political salience of Scotland in United Kingdom politics. In the 1970s it was high as the Labour Government sought to retain its Scottish

support in order to protect its slim parliamentary majority; in the 1980s it has been weak, with 357 of the 375 Conservative members elected in 1987 representing English seats.

The Political Context

The dominant political theme in Scotland in the 1980s is the relative weakness of the Conservative Party. In 1979 it gained 31 per cent of the Scottish vote, in 1983 28 per cent and in 1987 24 per cent; the overall Conservative vote in Great Britain was stable at 43-45 per cent. Scottish Conservative MPs numbered 22 out of 71 in 1979, 21 out of 72 in 1983, and no more than 10 out of 72 in 1987 – the scale of the losses in that year being caused by tactical voting for the best-placed opposition parties[5]. The Conservative vote in Scotland was in 1987 half that in the Midlands and South of England outside Greater London. The main source of increased Conservative support in England – the skilled working class – remains loyal to the Labour Party in Scotland[6]. The Conservatives control none of the 8 regional authorities, and only 3 of the 53 districts.

Two tendencies became steadily more apparent during the 1980s. The first is the gradual de-legitimisation of Conservatism in Scotland. In the 1950s it did better than Labour in Scotland adjusted for class[7]; until 1970 post-war Conservative governments had a plurality of Scottish votes or seats. By 1990 the electoral arithmetic made it impossible for the Conservatives to rely on their United Kingdom mandate in Scotland in anything other than a formal constitutional sense. The second is the oscillation between the high influence of Scottish MPs during a Labour government and weakness during a Conservative one. The Parliamentary Labour Party in 1990 is 21 per cent Scottish (49 out of 230 MPs, including four influential Shadow Cabinet members – Gordon Brown, Robin Cook, Donald Dewar and John Smith – whose solid demeanours personify the soundest traditions of a Scottish upbringing); the meagre ranks of Scottish Conservative MPs are scarcely enough to fill all the ministerial posts at the Scottish Office, a point emphasised by the use of English MPs (David Maclean and Michael Fallon) as the Scottish whip.

The Scottish National Party's volatile electoral fortunes serve as a barometer for the system-disturbance impact of Scotland on the British political scene. Having overcome the factional conflict of the early 1980s it re-established itself in the mid-1980s as an anti-Thatcher political force, and won three seats from the Conservatives in 1987 though losing two to Labour; its tendency to take seats from Conservative rather than Labour was confirmed in subsequent regional elections. In late 1988 it won the safe seat of Glasgow Govan from Labour in a by-election and briefly surged to 32 per cent in the opinion polls, its best figure since 1977. This soon subsided as Labour reasserted its national position, but the SNP did gain 26 per cent of the vote in the European elections of June 1989. What seems to have been happening was

the use of a tactical option by the Scottish electorate to send a message to the London-based political world in the most effective language available but one to which it is difficult for civil servants to relate.

This produces an uncomfortable political context for the Scottish Office. As civil servants, their training and ethos emphasise the legitimacy of their service of the government in office as an expression of the political process. Some territorial variations in support for the governing party can be accommodated without difficulty, especially if changes of government are frequent, but long-term divergence is a problem. Scottish Office civil servants are noted for a strong adherence to the constitutional proprieties and unwillingness to seek a high profile, but they are inhabitants of a Scottish political culture that disapproves deeply of the Conservative Party and is frustrated in its efforts to give political expression to that judgement.

This tension becomes most evident when the Scottish Office is called upon to play its lobbying role. In the 1960s and 1970s this proved effective when locational decisions were being made by government (on industrial investment and the location of government offices). In the 1980s the Scottish Office was forced into a more defensive posture as it sought to protect indigenous Scottish industry from takeover. It could hardly help seeming to stand against the free-market ideology of the Thatcher government, and it had also to associate itself with Scottish local government – especially Strathclyde region, which covers nearly half the Scottish population and is the largest local authority in Britain, running its own successful lobbying operation to attract European Community funds. Sometimes battles were won, as when the Royal Bank of Scotland in 1981, and Scottish and Newcastle Breweries in 1989 were protected against foreign takeover; sometimes they were lost as when the Distillers Company was taken over by Guinness in 1986. Whatever the outcome, the Industry Department became freebooters within British government, leading the 'Scottish lobby' as it came to be called, but not accountable to a local legislature. What accountability there was to the Westminster parliament was weak but not always benign – as when the Public Accounts Committee of the House of Commons in 1990 criticised some of the procedures of the 'Locate in Scotland' bureau, which seeks industrial investment[8].

A yet more serious contextual problem arose after 1987. Traditionally, the Scottish Office has been an emollient, consensus-building department, its Secretaries of State reactors rather than innovators or ideologues. The adaptation of British policy to fit Scottish circumstances sometimes permitted its amelioration to what would be found acceptable by Scottish opinion. George Younger fitted comfortably into this mould, and did slow up the privatisation of the Scottish public sector; Malcolm Rifkind, has sharper policy instincts but stands basically in the same tradition. But after 1987 it became difficult to justify the 'de-Thatcherisation' of Conservative policy in Scotland on grounds of political expediency; it had manifestly failed to yield a political dividend and, having been pushed to its limit, was rapidly replaced by a 'going

for broke' strategy in which there was no point in restraint. This has been personified by Michael Forsyth, appointed a junior minister at the Scottish Office in charge of education and health in 1987, and chairman of the Scottish Conservative Party in 1989. Apparently having a direct relationship to Mrs Thatcher that outflanked that of Secretary of State Rifkind, he presided over substantial reforms to state education and health on the principles of the 'internal market' which ran in parallel to those in England. This broke with the tradition of separate Scottish administration of these areas which had led to somewhat different structures and policies. Privatisation policies have also been brought into line with those in England and by 1991 will deprive the Scottish Office of most of the nationalised industries it sponsors in electriticy and transport.

In one rather notorious respect Scotland was the leading edge of Thatcherist policy – local government finance, especially the community charge or poll tax introduced in Scotland in 1989, one year ahead of England. This was partly accidental: the small number of top-tier local authorities in Scotland had prompted legislative powers to control their spending selectively in 1982, two years ahead of England, and the readjustment in Scotland only in 1985 of property valuations on which the rates were levied was the precipitating factor that led to the replacement of rates on domestic property by the poll tax. But there was a clear theme of using Scotland as a test-bed to expose administrative complications in the scheme. Some English Conservative MPs who had helped to enact the Scottish legislation in 1987 tried to prevent the same policies being extended to England; concessions and transitional reliefs secured for England had to be extended retrospectively to Scotland. In the budget of March 1990, a relaxation of the rules for eligibility to the partial rebate of the charge for those on very low incomes was initially not to be applied to the Scottish charges paid in 1989-90; after two days of vigorous Scottish complaint, the cheque book was opened to the clear discomfiture of Thatcher and Rifkind. What was striking was the abandonment of any intellectual defence of uniform rebate rules across Britain in favour of discourse based upon political weight.

What we see here is the bureaucratic problem of aligning territorial policies in a unitary state combining with the governmental problem of winning consent and compliance. In plainer terms, the Scots and the Scottish Office became a nuisance. In its dealings with the policy communities in education and health, the Office is similarly forced to be the ambassador of policies easily condemned as alien to a distinctive Scottish tradition that it once sought to maintain. It is not certain that the traditional formulae of ministerial responsibility can contain the tensions between 'Scottish' and 'British' sensibilities within officials themselves, within the Office as a whole, and in its relations with outside bodies.

A final element of the political context lies in the personalities of officials. The appointment of the two senior tiers of officials (Grades 1 and 2) lies with

the Prime Minister, and it has been suggested that Mrs Thatcher has sought to exercise an inordinate influence in the appointment of certain personalities to the ranks of a service she has been able to observe for over ten years. In practice this probably amounts to little more than her preference for articulate, forthright and politically aware officials, often rather younger than the normal age for senior posts. In the Scottish Office, she inherited as Permanent Secretary Sir William Fraser, a respected and adroit personality with a more comfortable public demeanour than is often found in senior officials; he served until 1988, when he became Principal of Glasgow University. The pattern of senior promotions during his tenure caused no great surprise, but his successor did, as he was the most junior of the second-grade departmental secretaries, Russell Hillhouse, who had over ten years to serve before retirement age. Speculation that this was a Thatcher appointment was fuelled by the passing-over of an eminently suitable 'traditional' candidate, William Reid, secretary of the Scottish Home and Health Department, whose high standing in Whitehall circles was confirmed when he subsequently became the Parliamentary Commissioner for Administration, or Ombudsman. A further noteworthy move in 1990 – that of James Scott from the Industry Department to head the Scottish Development Agency – was not accompanied by any transfer in the opposite direction.

There is no firm evidence available about the making of senior appointments and relations between officials and ministers, but they are not quite the same in the 1980s as hitherto. What can be suggested is that Malcolm Rifkind stands in a tradition of close and respectful relationships between ministers and civil servants, about which he has written during his earlier service as a junior minister[9]; that Michael Forsyth stands somewhat outside it and has a reputation as a demanding minister, sceptical about arguments of infeasibility and successful at driving policies through; and that the bureaucracy as a whole has found it difficult to replace the model of alternating governments substantially in tune with Scottish opinion with one that accommodates the political imperatives of third-term conservatism. For harder evidence on the Scottish Office's performance in the 1980s, we can turn to the bureaucratic level, and the management of resource allocation and managerial innovation.

The Resource Framework

Like most bureaucracies at intermediate levels of government, the Scottish Office has become associated with the maintenance of high resource inputs to its territory. Available evidence (table 1) shows a level of identifiable public expenditure per head in Scotland (only 60 per cent of which is supervised by the Scottish Office) consistently about 21-24 per cent above the United Kingdom average; this is higher than Wales but less than Northern Ireland. There is no comparable official calculation for the English regions. The mechanisms of allocation militate against territorial convergence within the United Kingdom, for they apportion changes in British spending on a

Table 1: Identifiable Public Expenditure per head under the Thatcher Government – Index UK = 100

	Scotland	England	Wales	Northern Ireland
1979-80	121.7	95.6	104.9	142.5
1980-81	122.0	95.8	105.1	144.4
1981-82	124.2	95.5	105.4	145.8
1982-83	122.0	95.8	106.2	141.0
1983-84	122.0	95.7	108.5	142.8
1984-85	121.0	95.9	106.3	144.5
1985-86	121.8	95.8	105.7	146.4
1986-87	121.8	95.6	108.5	146.2
1987-88	123.1	95.4	109.4	146.0
1988-89	123.3	95.0	109.4	159.4*

* includes a one-off industrial subsidy; disregarding that, 148.5.

Note: data since 1984-5 are a consistent series; before that, there are certain changes in coverage and classification.

Source: Treasury and Civil Service Committee, House of Commons Sixth Report 1988-89, *The Presentation of Information on Public Expenditure* (HC 217) p36; House of Commons *Hansard* 19 December 1989 col 179-90.

formula basis loosely linked to population: under this so-called 'Barnett formula' (named after the Chief Secretary to the Treasury at the time it was introduced in 1978), most components of Scottish expenditure receive 10 per cent of any changes in the corresponding United Kingdom figure.

To assess these figures we must look at the methodology of 'need' and 'excess' that underlies them; the political salience of the figures that are quoted; and the political and financial cost of changing the pattern they reveal. On the first point, we have no more recent evidence than the Treasury Needs Assessment Study of the mid-1970s, which suggested that Scotland 'needs' more spending than England but beyond this has been able to secure a disproportionately high resource input in certain areas, especially health[10]. The published figures are not comprehensive (for instance, defence spending is not apportioned between parts of the United Kingdom) and are in some respects misleading, for they do not take account of tax expenditures (like the much greater per capita mortgage interest relief in England), the pattern of private provision, and variations in socio-economic structure[11]. But even though they may be challenged in an analytical sense, their salience in political debate is hard to undermine.

These data are cause for ambivalence on the part of the Scottish Office: is it better to conceal them to avoid political vulnerability to English accusations of unfair treatment, or to proclaim them as evidence of the success of ministers

in securing extra expenditure? The trend has been towards the latter. The figures are publicised more widely than hitherto (for instance, in the annual Public Expenditure White Paper) but they remain statistical summaries rather than planning targets. It has become noticeable that English Conservative MPs, including some who are prominent at Scottish question time at Westminster, have begun to cite the figures as a warning against Scottish ingratitude. In domestic Scottish politics, an important comparison is with territorial expenditure in Scotland and Wales. Here, the data are very hard to interpret as the Scottish, Welsh and Northern Ireland Offices have somewhat different responsibilities; it is not clear whether one Secretary of State has been more successful than another. Peter Walker, the Secretary of State for Wales from 1987 until his retirement in May 1990, did have a pork-barrel mentality and succeeded in giving the impression that he had extracted more from the Treasury, a contention borne out by the expenditure trends summarised in table 2: Welsh Office spending increased by nearly 10 per cent in real terms between 1984 and 1989 while that of the Scottish Office fell.

Table 2: Public Expenditure within the responsibility of the Secretaries of State for Scotland, Wales and Northern Ireland in real terms, 1984-89 – £m at 1988-89 prices

	Scotland	Wales	Northern Ireland
1984-85	8,604	3,253	5,000
1985-86	8,357	3,224	5,022
1986-87	8,486	3,410	5,119
1987-88	8,375	3,497	5,209
1988-89	8,468	3,567	5,465
% change	–1.6	+9.7	+8.4

Source: *The Government's Expenditure Plans* 1990-91 to 1992-3 vol 21 (Cm 1021, 1990) table 21.2.5

A more important issue is the dynamics of changing expenditure shares. The United Kingdom has an unbalanced territorial structure: England has 83 per cent of the population and 85 per cent of the economic activity, but it has no intermediate government and is administered uniformly from London. At the same time, Scotland, Wales and Northern Ireland have complex and distinctive national identities and demand careful political management if they are not to have a destabilising effect on the United Kingdom polity. Hence, the gearing ratio of peripheral demands to total expenditure is rather low: it is relatively cheap to buy-off protest as long as there is no knock-on to England. This approach is most evident in Northern Ireland, whose circumstances are now more clearly than ever demarcated from the rest of Britain (for instance, the poll tax is not being introduced there, and privatisation has been introduced very cautiously). But Scotland has lost ground, since the gearing

ratio can equally be applied not to England as a whole, but to a particular territorial or functional part of English expenditure: declining industrial areas will demand more aid, or areas with high morbidity more health spending. It may be politically destabilising to sustain the territorial differential, even though the allocation system is stable at the official level and enormously convenient to the Scottish Office and the Treasury.

The Impact of Policy Initiatives and Management Techniques

The British civil service remains immobile in a sociological sense, socialising its members into common attitudes and working practices, but important managerial innovations have been imposed upon it in the 1980s. These range from the crude (cuts in numbers specified before it is known how they are to be achieved) to the over-sophisticated (techniques of financial management that threaten to outrun the capacities of officials). They may be summed up as a change in culture, moving the civil service from an acceptance that its cost and structure were part of the 'costs of democracy' to an interest in the nature of tasks and how they are to be performed in an efficient and effective way.

The Scottish Office's culture is predominantly the same as that of any other civil service department. This is because it services cabinet and parliamentary business in the same style and is in frequent interaction with other departments. Personnel management – pay, gradings, promotion rules and employee rights – also takes place in common. The result is an identity of approach that does not require much cross-posting to sustain it. The Scottishness comes in with a sensitivity to issues that might cause Scottish ministers embarrassment with domestic Scottish opinion, and a watchfulness that Scottish interests do not get overlooked in the Whitehall policy process. There must also be a certain nationalistic pride on matters ranging from heraldry to sport, which is accepted as entirely legitimate in the British political system and tends to get appropriated by politicians, as in Margaret Thatcher's 'we in Scotland' phrase used in a 1989 television interview.

In coping with the so-called efficiency strategy of the Thatcher years, the Scottish Office has manoeuvred quietly within the specifications set at the centre. It has not been a pioneer as was, for instance, the Department of the Environment under Michael Heseltine with its Management Information System for Ministers (MINIS) – the lack of a Secretary of State interested in management systems probably being important here. In some matters of technique – such as the use of performance indicators in the health service and elsewhere – it has clearly lagged behind England. The Office has not seemed notably enthusiastic about the changes but has been in a position to respond to them because in addition to its policy-making core it has a range of higher-employment executive tasks (prisons; ancient monuments; museums; agricultural advice). These are susceptible to 'hiving-off' into separate organisations or the trimming of staff numbers through contracting-out.

The target for staff cuts set for the Scottish Office in 1979 was 10 per cent, from 11,119 to 10,000, against the 14 per cent average for all departments. In the event both were more than achieved, the Scottish Office falling to 9,800 by the target date of 1984. Table 3, drawn on a wider basis to include the minor Scottish departments dealing mainly with legal matters, shows that it has not fallen further since and that all the territorial departments have been protected (the overall decline in the civil service since 1979 being 20 per cent). The small number of Scottish Office industrial employees have fallen disproportionately, from 1,005 in 1981 to 724 in 1987[12]. Dunsire and Hood's research into published data shows that the Scottish Office attributed the cuts to a variety of measures, including the shedding of functions, whereas the Welsh and Northern Ireland Office concentrated on 'general streamlining'[13]. Given that the numerical target was the main constraint, it is difficult to assess the value or effect of measures taken to achieve it.

Table 3: Personnel Numbers in Scotland, Welsh and Northern Ireland Departments 1979-89 – Thousands

	Scotland	Wales	Northern Ireland
1978-79	12.8	2.5	28.6
1984-85	11.9	2.2	29.6
1987-88	12.0	2.2	29.9
1988-89	12.1	2.2	29.4

Source: *The Government's Expenditure Plans* 1990-91 to 1992-3 Vol 2 (Cm 1021, 1990) table 21.3.11

The other major efficiency measures initially undertaken by the Thatcher government were the so-called Rayner scrutinies, named after the government's first efficiency adviser. These involve one middle-rank official preparing a 90-day assessment of an agency or policy problem with the presumption that the recommendations are likely to be implemented. The Efficiency Unit in the Prime Minister's Office monitors the process to avoid departments' choosing soft targets. The Scottish Office has often chosen to scrutinise professional and advisory sections or bodies; for instance, one scrutiny led to the integration of the administrative and professional teams advising social work departments[14]. Its universe of 'non-departmental public bodies' is substantial – in 1989, 69 executive and 126 non-executive ones[15]. The executive bodies are subject to a financial management and policy review on a five-year cycle[16]. The biggest spenders among them – the 15 health boards – have been brought under tighter central control, especially after the appointment in 1989 of a Chief Executive of the National Health Service in Scotland. Initiatives since 1987 have produced new 'Thatcherite' agencies designed to mobilise private sector initiative – Scottish Homes in housing and Scottish Enterprise in economic development and training – and these may produce new control problems for the policy-making core of the Scottish Office. In their early days the privatisation objectives of the agencies may be

enforced too crudely, but once established they may lose any clientelistic inhibitions vis-a-vis the Office.

The Financial Management Initiative, launched in 1982, was designed to give the civil service an awareness of the resource implications of their actions, and includes better information technology, monitoring of stated performance indicators, and a somewhat greater discretion to line managers to plan expenditure. In the Scottish Office, a Financial Information and Control System (FICS) came into effect in 1984, but a National Audit Office report in 1986 suggested that the Scottish Office had made a relatively slow start: it noted that "the extent and quality of target-setting throughout the Scottish Office varied...the quality and effectiveness of such performance indicators as are in use also varied"[17]. A comment of an official that "FMI is useful as a cost-awareness exercise but is little more than a pretence at anything else" was quoted[18]. Subsequent progress has been more impressive, at least in the formal sense: in 1990-91 budget setting and control is delegated through 49 'group budget holders' to 186 'budget centre managers'[19]. From 1989-90 running costs provision has been agreed with the Treasury for the three-year period of the public expenditure survey on the basis of a Departmental Management Plan which relates costs, staff numbers and policy objectives[20]. The extent to which managers are thus enabled to initiate significant changes in the resources under their command is less evident.

The most recent innovation facing the Scottish Office is that of Executive Agencies. These are designed to be free-standing managerial entities within the civil service, whose staff retain civil servant status and the same channels of accountability while in theory becoming free of civil service pay restraint. They were first proposed in a rapid and thinly-documented scrutiny ('The Next Steps') in 1988; twenty have already been set up and in time they could include most of the civil service – for instance, all of social security administration is being turned into an agency. The agencies are enigmatic beings in that the degree of real change from the present management system might be very great or very slight and is hard to predict in advance. Each department can introduce a further level of confusion by its choice of field and speed. The Scottish Office did not figure in the initial list of 12 proposed agencies in February 1988, but by April it had added two – the Historic Buildings and Monuments Division, and the Department of Registers for Scotland, the depository of legal records. The latter, with its 950 employees, achieved agency status in April 1990; quite protracted planning work on the other is continuing. In May 1990 a third candidate was announced, the Scottish Fisheries Protection Service. All three are clearly peripheral to the main political task of the Office, and the impression is that agencies will not be a primary option of the Scottish Office even in self-contained fields like the Prison Service.

In Dunsire and Hood's terms[21], the Scottish Office has chosen the cosmetic rather than the conviction route to cutback and change. This is a

typical reaction in a department where neither the nature of the work nor the personality of the minister prompts a departure from traditional civil service styles. What is more difficult is to isolate the territorial effects. Distance itself is one, though this has been minimised as telecommunications and data links improve through a new integrated telephone system in 1986 and a word processing and electronic mail network linking Edinburgh, Glasgow and London offices. Any tendency to let Scotland go its own way is counterbalanced by the Thatcher government's commitment to comprehensive management initiatives in the civil service. As most of the change is invisible to the public, there need be little sensitivity to opinion within Scotland. The most plausible conclusion is that taken as a whole the Scottish Office has maintained its reputation as a cautious, reactive department, content with the norms of British public administration, and learning to live with what must seem an irresistible tide of management jargon from the south. Time will tell whether a cadre of younger officials more committed to a managerial culture and a more activist style will come to the fore.

Conclusion

The Scottish Office had for many years tended to be an expanding part of British government, but in the 1980s has had to come to terms with general government decline. Denied the intra-governmental reforms that were on offer with the devolution proposals of the 1970s, it has further lost some organisational freedom of movement in its internal affairs, and has become the executive body of a political leadership with serious problems of political legitimacy in Scotland.

This runs counter to the experience in most European countries. In France, Spain, Belgium and Italy the political imperative to deconcentration in the late 1970s and early 1980s did not prove abortive, and regional bureaucrats had important areas of freedom and creativity. In Scotland, the territorial bureaucracy was blocked. The Scottish Office's political mandate seemed to lack authenticity when compared to that of the regional councils, and it was forced into a defensive posture. It had some areas of freedom when lobbying for Scottish causes in concert with corporatist interests, but was more often left reacting to managerial changes conceived in Whitehall or policy changes launched by English Conservatism. The ability of Scotland to resist these changes has been limited by the constitutional framework of a unitary state.

In 1981 Malcolm Rifkind wrote in this *Yearbook* that "the Scottish Office, whatever government is in power, always follows the splendid tradition of insisting on United Kingdom uniformity when we like what our English colleagues are doing and asserting the need for distinctive Scottish solutions when we don't like what they are doing"[22]. Now, as Secretary of State for Scotland, he finds that tradition less resilient. Under the Conservatives,

territorial management has concentrated on England and not, as in the 1970s, on the rather small non-English parts of the United Kingdom. The political agenda would be transformed by the return of a Labour government, for it would be committed more firmly than ever before to legislate for a devolved Scottish legislature in its first year of office. For Scottish Office civil servants, the shift of paradigm would be even more rapid than in 1974 and 1979, and the chance of liberation from Whitehall could easily prove a gratifying path to pursue.

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